



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

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January 20, 1995

CERTIFIED RETURN RECEIPT
P 074 978 927

Mr. Thomas F. Miller
United Silver Mines, Inc.
2508 Zinfandel Drive
Rancho Cordova, California 95670

Re: Permitting of Vipont Mine, D/003/007, Box Elder County, Utah

Dear Mr. Miller:

Thank you for your recent letter received December 20, 1994 regarding inspection activities performed at the Vipont mine. In your letter, you accuse one of our technical staff members (Mr. Lynn Kunzler) of criminal trespass onto your private property, while performing a joint agency inspection on November 9, 1994. As you know, the Division conducted the inspection after we received notification that unauthorized road building/maintenance activities had been performed on the road accessing the Vipont mine site. The access road traverses state, federal and private/fee lands.

You indicated in a letter (dated October 24, 1994) to the Bureau of Land Management, that you authorized the road upgrading activities and that you plan to reactivate mining work at the Vipont Mine in 1995. The Utah Mined Land Reclamation Act of 1975, Title 40, Chapter 8, as amended (Act); and the Administrative Rules (Rules) promulgated under the Act (R647-1 through R647-5), require all persons intending to conduct mining-related activities to file a Notice of Intention with the Division *before* beginning those activities on lands (federal, state and/or private) within the state. Road building, is defined in the Act and Rules (under "Exploration" and "Mining Operations") as a mining-related activity.

Under Section 17, of the Utah Mined Land Reclamation Act, provisions are outlined which give the Division the authority to enter upon and conduct inspections, at all reasonable times, of those properties that are subject to a notice of intention, whether approved or not.

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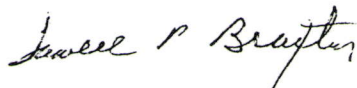
In 1985, the Division acknowledged a 'Declaration of Exemption' (DOE) for the Vipont Mine. Our file records also indicate that a Large Mining Operations permit application was filed sometime earlier for this mine site which was never approved. Subsequent amendments to the Act and Rules in 1987 eliminated the exemption status for all previously accepted DOE's. Effective November 1, 1988, the DOE provision was replaced by a new five (5) acre, Small Mining Operations category, which requires reclamation of all mining-related disturbed areas. This change affected all DOE's on record and required those DOE's that continued to operate, remained in temporary suspension, or resumed operations, to refile and acquire a new permit under the new small mining category. Operations exceeding the 5-acre threshold must acquire a Large Mining Operations permit and post appropriate reclamation surety.

Because the affected area associated with the Vipont Mine has not been abandoned and has remained in a state of temporary suspension (since the effective date of changes to the Act), your mining operation must be permitted with this office. If the total post-Act (1977) disturbed and/or re-impacted areas associated with your mining operation exceeds five (5) surface acres (including, but not limited to: pads, sediment or solution storage ponds, heaps, processing and storage areas, waste dumps, topsoil and raw ore stockpile areas, new or expanded mine access roads, etc.), then a Large Mine permit application must be filed with this office and approved before any additional mining-related activities take place. If the total post-Act affected area does not exceed 5 acres of surface disturbance, then a Small Mining Operations permit application should be filed.

Please submit the appropriately completed application form (forms enclosed) to the Division no later than February 23, 1995. Failure to do so will be considered a violation of the Mined Land Reclamation Act.

If you have any questions, please don't hesitate to call me, Wayne Hedberg or Lynn Kunzler of the Minerals Regulatory Program staff.

Sincerely,



Lowell P. Braxton
Associate Director, Mining

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Enclosures

cc: Tom Dyre, BLM (Idaho)
Dan Washington, BLM, Bear River RA
Gary Bagley, SITLA
Tom Mitchell, Assistant Attorney General
Minerals staff (route), DOGM

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